

**CLAYMONT PUBLIC LIBRARY**  
**ANNUAL REPORT**  
**YEARS ENDED DECEMBER 31, 2003 AND 2002**





**Auditor of State  
Betty Montgomery**

Board of Trustees  
Claymont Public Library

We have reviewed the Independent Auditor's Report of the Claymont Public Library, Tuscarawas County, prepared by Wolfe, Wilson & Phillips, Inc. for the audit period January 1, 2002 through December 31, 2003. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Claymont Public Library is responsible for compliance with these laws and regulations.

*Betty Montgomery*

BETTY MONTGOMERY  
Auditor of State

February 17, 2004

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**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

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**WOLFE, WILSON, & PHILLIPS, INC.**  
**37 SOUTH SEVENTH STREET**  
**ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT**

Board of Trustees  
Claymont Public Library  
Uhrichsville, Ohio

We have audited the accompanying financial statements of the Claymont Public Library as of and for the years ended December 31, 2003 and 2002. These financial statements are the responsibility of the Library's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, the Library prepares its financial statements on the cash basis, which is a comprehensive basis of accounting prescribed or permitted by the Auditor of State other than generally accepted accounting principles.

In our opinion, the financial statements referred to above present fairly, in all material respects, the combined fund cash balances of the Claymont Public Library as of December 31, 2003 and 2002, and its combined cash receipts and disbursements for the years then ended, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued a report dated January 13, 2004, on our consideration of the Claymont Public Library's internal control structure over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

This report is intended solely for the information and use of officials authorized to receive this report under Section 117.26, Ohio Revised Code, and is not intended to be and should not be used by anyone other than these specified parties.

**Wolfe, Wilson, & Phillips, Inc.**  
Zanesville, Ohio  
January 13, 2004

**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2003**

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
<b>Cash Receipts:</b>			
Taxes	\$ 440,653	\$ -	\$ 440,653
Intergovernmental	13,631	-	13,631
Patron Fines and Fees	8,757	-	8,757
Earnings on Investments	4,777	2,580	7,357
Unrestricted Contributions	3,254	-	3,254
Miscellaneous Revenue	760	4,180	4,940
<b>Total Cash Receipts</b>	<u>471,832</u>	<u>6,760</u>	<u>478,592</u>
<b>Cash Disbursements:</b>			
Salaries And Benefits	270,594	-	270,594
Supplies	10,593	-	10,593
Purchased Services	54,833	1,463	56,296
Library Materials	57,383	-	57,383
Capital Outlay	7,729	98,766	106,495
Other	4,333	-	4,333
<b>Total Cash Disbursements</b>	<u>405,465</u>	<u>100,229</u>	<u>505,694</u>
<b>Total Cash Receipts over/(under) Cash Disbursements</b>	<b>66,367</b>	<b>(93,469)</b>	<b>(27,102)</b>
<b>Other Financing Receipts/(Disbursements):</b>			
Transfer - In	-	375,000	375,000
Transfer - Out	(375,000)	-	(375,000)
Sale of Fixed Assets	64	-	64
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>(374,936)</u>	<u>375,000</u>	<u>64</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over/(Under) Cash Disbursements and Other Financing Cash Disbursements</b>	<b>(308,569)</b>	<b>281,531</b>	<b>(27,038)</b>
<b>Fund Cash Balance - January 1, 2003</b>	<u>574,461</u>	<u>278,192</u>	<u>852,653</u>
<b>Fund Cash Balance - December 31, 2003</b>	<u><u>\$ 265,892</u></u>	<u><u>\$ 559,723</u></u>	<u><u>\$ 825,615</u></u>

See notes to financial statements.



**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY**

**COMBINED STATEMENT OF CASH RECEIPTS, CASH DISBURSEMENTS, AND  
CHANGES IN FUND CASH BALANCES - ALL GOVERNMENTAL FUND TYPES  
FOR THE YEAR ENDED DECEMBER 31, 2002**

	<u>Governmental Fund Types</u>		<u>Totals</u>
	<u>General</u>	<u>Capital Projects</u>	<u>(Memorandum Only)</u>
<b>Cash Receipts:</b>			
Taxes	\$ 443,271	\$ -	\$ 443,271
Intergovernmental	-	-	-
Patron Fines and Fees	8,207	-	8,207
Earnings on Investments	7,990	4,746	12,736
Unrestricted Contributions	3,322	-	3,322
Miscellaneous Revenue	439	-	439
<b>Total Cash Receipts</b>	<u>463,229</u>	<u>4,746</u>	<u>467,975</u>
<b>Cash Disbursements:</b>			
Salaries And Benefits	239,672	-	239,672
Supplies	10,759	-	10,759
Purchased Services	44,449	-	44,449
Library Materials	73,878	-	73,878
Capital Outlay	12,572	1,000	13,572
Other	3,747	-	3,747
<b>Total Cash Disbursements</b>	<u>385,077</u>	<u>1,000</u>	<u>386,077</u>
<b>Total Cash Receipts over Cash Disbursements</b>	<b>78,152</b>	<b>3,746</b>	<b>81,898</b>
<b>Other Financing Receipts(Disbursements):</b>			
Transfer - In	-	-	-
Transfer - Out	-	-	-
Sale of Fixed Assets	829	-	829
<b>Total Other Financing Receipts/(Disbursements)</b>	<u>829</u>	<u>-</u>	<u>829</u>
<b>Excess of Cash Receipts and Other Financing Receipts Over Cash Disbursements and Other Financing Cash Disbursements</b>	<b>78,981</b>	<b>3,746</b>	<b>82,727</b>
<b>Fund Cash Balance - January 1, 2002</b>	<u>495,480</u>	<u>274,446</u>	<u>769,926</u>
<b>Fund Cash Balance - December 31, 2002</b>	<u>\$ 574,461</u>	<u>\$ 278,192</u>	<u>\$ 852,653</u>

See notes to financial statements.

**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO FINANCIAL STATEMENTS**

1. **Summary of Significant Accounting Policies**

**A. Description of the Entity**

The Claymont Public Library was created by a merger of the Uhrichsville Library and Dennison Library in 1965. These two libraries were free public libraries created by adoption of a resolution by the local school boards. In any school district in which a free public library has been established by resolution adopted by the board of education of such school district, prior to September 4, 1947 such library shall be under control and management of a board of library trustees consisting of seven members. Such trustees shall serve for a term of seven years and without compensation. The board of education shall make appointments to the board of library trustees not later than 45 days after the date a member's term expires or after the date a vacancy occurs whichever is applicable. If an appointment is not made at that time, the appointment shall be made within the next 14 days by the probate court of the county in which the library is situated. The Claymont Public Library provides the public with reading materials and other free public library services.

The Library's management believes these financial statements present all activities for which the Library is financially accountable.

**B. Basis of Accounting**

These financial statements follow the basis of accounting prescribed or permitted by the Auditor of State, which is similar to the cash receipts and cash disbursements basis of accounting. Receipts are recognized when received in cash rather than when earned, and disbursements are recognized when paid rather than when a liability is incurred. Budgetary presentations report expenditures when a commitment is made (i.e., when an encumbrance is approved.) These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

These statements include adequate disclosure of material matters, as prescribed or permitted by the Auditor of State.

**C. Cash and Investments**

Certificates of deposit are valued at cost.

**D. Fund Accounting**

The Library uses fund accounting to segregate cash that is restricted as to use. The Library classifies its funds into the following type:

*General Fund*

The General Fund is the general operating fund. It is used to account for all financial resources except those required by law or contract to be restricted.

**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**D. Fund Accounting (continued)**

*Capital Projects Fund*

These funds are used to account for receipts that are restricted for the acquisitions or construction of major capital projects (except those financed through enterprise or trust funds).

**E. Budgetary Process**

The Board must annually approve appropriation measures and subsequent amendments. Unencumbered appropriations lapse at year end. Budgetary expenditures (that is, disbursements and encumbrances) may not exceed appropriations at the fund and function level of control. Although not required by the Ohio Administrative Code to use encumbrance accounting, the Library has elected to use encumbrance accounting. Also, the Ohio Administrative Code does not require the Library to estimate resources, however, the Library has elected to estimate resources for budgetary control.

A summary of 2003 and 2002 budgetary activity appears in Note 3.

**F. Property, Plant and Equipment**

Acquisitions of property, plant and equipment are recorded as disbursements (capital outlays) when paid. These items are not reflected as assets in the accompanying financial statements.

**G. Unpaid Vacation and Sick Leave**

In certain circumstances, such as upon leaving employment, employees are entitled to cash payments for unused vacation and sick leave. Unpaid vacation and sick leave are not reflected as liabilities under the cash basis of accounting used by the Library.

**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**2. Equity in Pooled Cash and Investments**

The Library maintains a cash and investment pool used by all funds. The Ohio Revised Code prescribes allowable deposits and investments. The carrying amount of cash at December 31 was as follows:

	<u>2003</u>	<u>2002</u>
Demand Deposits	\$ 130,685	\$ 217,480
Certificates of Deposits	150,000	150,000
Total Deposits	<u>280,685</u>	<u>367,480</u>
STAR Ohio	544,930	485,173
Total deposits and investments	<u>\$ 825,615</u>	<u>\$ 852,653</u>

**Deposits:** Deposits are either insured by the Federal Depository Insurance Corporation or collateralized by the financial institution's public entity deposit pool.

**Investments:** Investments in STAR Ohio are not evidenced by securities that exist in physical or book-entry form.

**3. Budgetary Activity**

Budgetary activity for the years ended December 31, 2003 and 2002 was as follows:

<b>2003 Budgeted vs. Actual Receipts</b>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 495,543	\$ 471,896	\$ (23,647)
Capital Projects	380,000	381,760	1,760
Total	<u>\$ 875,543</u>	<u>\$ 853,656</u>	<u>\$ (21,887)</u>

<b>2003 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
<u>Fund Type</u>	<u>Appropriation Authority</u>	<u>Budgetary Expenditures</u>	<u>Variance</u>
General	\$ 902,237	\$ 780,465	\$ 121,772
Capital Projects	550,000	100,229	449,771
Total	<u>\$ 1,452,237</u>	<u>\$ 880,694</u>	<u>\$ 571,543</u>

<b>2002 Budgeted vs. Actual Receipts</b>			
<u>Fund Type</u>	<u>Budgeted Receipts</u>	<u>Actual Receipts</u>	<u>Variance</u>
General	\$ 493,913	\$ 464,058	\$ (29,855)
Capital Projects	9,000	4,746	(4,254)
Total	<u>\$ 502,913</u>	<u>\$ 468,804</u>	<u>\$ (34,109)</u>

**CLAYMONT PUBLIC LIBRARY  
TUSCARAWAS COUNTY  
NOTES TO FINANCIAL STATEMENTS**

**3. BUDGETARY ACTIVITY (Continued)**

<b>2002 Budgeted vs. Actual Budgetary Basis Expenditures</b>			
Fund Type	Appropriation Authority	Budgetary Expenditures	Variance
General	\$ 507,511	\$ 385,077	\$ 122,434
Capital Projects	274,000	1,000	273,000
Total	\$ 781,511	\$ 386,077	\$ 395,434

**4. GRANTS-IN-AID AND TAX RECEIPTS**

The primary source of revenue for Ohio public libraries is the State Library and Local Government Support Fund (LLGSF). The LLGSF is allocated to each county based on the county's prior intangibles tax of LLGSF revenues and its population. The County Budget Commission allocates these funds to the Library based on its needs such as for the construction of new library buildings, improvements, operation, maintenance, or other expenses. The Budget Commission cannot reduce its allocation of these funds to the Library based on of any additional revenues the Library receives.

Property taxes become a lien on January 1 preceding the October 1 date for which rates are adopted by Village Council. The State Board of Tax Equalization adjusts these rates for inflation. Property taxes are also reduced for applicable homestead and rollback deductions. Homestead and rollback amounts are then paid by the State, and are reflected in the accompanying financial statements as Intergovernmental Receipts. Payments are due to the County by December 31. If the property owner elects to make semiannual payment, the first half is due by December 31. The second half payment is due the following June 20.

Public utilities are also taxed on personal and real property located within the taxing district.

Tangible personal property tax is assessed by the property owners, who must file a list of such property to the County by each April 30.

The County is responsible for assessing property, and for billing, collecting, and distributing all property taxes on behalf of the Village.

**5. Retirement Systems**

The Library's full-time employees belong to the Public Employees Retirement System (PERS) of Ohio. PERS is a cost-sharing, multiple-employer plan. This plan provides retirement benefits, including postretirement healthcare, and survivor and disability benefits to participants as prescribed by the Ohio Revised Code.

Contribution rates are also prescribed by the Ohio Revised Code. PERS members contributed 8.5% of their gross salaries. The Claymont Public Library contributed an amount equal to 13.55% of participants' gross salaries. All required contributions have been paid through December 31, 2003.

**6. Risk Management**

The Library has obtained commercial insurance for the following risks: comprehensive property and general liability, general liability, public officials' liability, and employers liability.

The Library also provides health insurance to full-time employees.

**WOLFE, WILSON, & PHILLIPS, INC.  
37 SOUTH SEVENTH STREET  
ZANESVILLE, OHIO 43701**

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND ON  
INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT  
OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Board of Trustees  
Claymont Public Library  
Uhrichsville, Ohio

We have audited the financial statements of the Claymont Public Library as of and for the years ended December 31, 2003 and 2002, and have issued our report thereon dated January 13, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Compliance**

As part of obtaining reasonable assurance about whether the Claymont Public Library's combined financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the Claymont Public Library's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the combined financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended for the information of the Board of Trustees and the Auditor of State and is not intended to be and should not be used by anyone other than these specified parties.

**Wolfe, Wilson, & Phillips, Inc.**  
Zanesville, Ohio  
January 13, 2004



**Auditor of State  
Betty Montgomery**

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**CLAYMONT PUBLIC LIBRARY**

**TUSCARAWAS COUNTY**

**CLERK'S CERTIFICATION**

**This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.**

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
MARCH 4, 2004**